

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2441 - SB 2621

February 18, 2020

SUMMARY OF BILL: Authorizes local governments to appropriate funds to transition centers.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures –

Exceeds \$10,000/FY20-21 and Subsequent Years /Permissive

Other Fiscal Impact – Any local government electing to appropriate funds in the form of a loan will see an increase in revenue in future years; however the precise terms of such loans are unknown.

Assumptions:

- The proposed language authorizes local governments to appropriate funds to transition centers by the following means:
 - Borrow funds in order to establish a loan with reasonable interest assessed;
 - Borrow funds and directly contribute such funds;
 - Appropriate current funds in the form of a loan with reasonable interest assessed;
 - Appropriate current funds; or
 - Establish an interlocal agreement and appropriate funds in an amount equal to the property taxes received from property where the transition center is located.
- Due to multiple unknown factors such as the means by which any local government will elect to appropriate funds to a transition center, the number of local governments electing to appropriate funds, and the extent of any appropriation, a precise permissive increase in local expenditures cannot be determined.
- It is reasonably estimated that any appropriation made to transition centers by local governments will exceed \$10,000.
- Any local government opting to appropriate funds through a loan to transition centers will experience an increase in revenue in future years; however any rate of interest charged and the precise timing of any loan payments are unknown. The extent and timing of any increase in local revenue cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jrh